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Commissioner for Patents, Washington, D. C. 20231.

Date of Signature and Deposit: 3 May, 2001

Attorney of Record

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant(s):

Timothy Labadie et al.

Serial No.:

09/259,619

Filed: For:

March 1, 1999 Internet Based Payment System

Group Art Unit:

2761

Docket No.:

210655.90018

RECEIVED

MAY 2 5 2001

Technology Center 2100

AMENDMENT

Commissioner for Patents Washington, D. C. 20231

Dear Sir:

In response to the Office Action mailed December 20, 2000, please enter the following amendment into the record of the above application.

Please amend Claims 1, 2 and 3 as follows:

1. An Internet-based payment validation system comprising:

a merchant computer programmed to communicate with the Internet to create an Internet site listing products for sale and indicating a direct payment option from funds held by a third party;

a customer computer programmed to communicate on the Internet and to communicate with the merchant computer to identify the product desired to be purchased and to select the direct payment option, the customer computer further programmed to accept at least one unique customer identifier from a customer and communicate the same over the Internet; and

a processor computer programmed to receive at least one customer identifier from the merchant computer in response to a selection of the direct payment option, the processor computer further including a data structure matching the customer identifier to at least one

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